

Submit 1 Copy To Appropriate District  
Office  
District I - (575) 393-6161  
1625 N French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBS OCD  
SEP 01 2011

WELL API NO. 30-025-39959
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name TRES PAPALOTES
8. Well Number 001
9. OGRID Number 160825
10. Pool name or Wildcat Tres Papalotes; Upper Penn, West (59873)

SUNDRY RECEIVEDS AND REPORTS ON WELLS.  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  
PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
BC OPERATING, INC.

3. Address of Operator  
Po Box 50820, Midland, TX 79710

4. Well Location

Unit Letter F : 1980 feet from the North line and 1980 feet from the West line  
Section 32 Township 14S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
4140' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- 6-7 Suspected csg leak, Set plug at 10,565' (blocks btm 2 sets of perfs); set pkr @ 10,290'.  
6-10 Run GR/CBL from 10,276' to 2,500', no evidence of communication.  
6-13 Set CIBP 10,490', dump bail 20' cmt on top, new PBTD 10,470'.  
6-14 PU and TIH refurbished pump, 2 1/2 x 1 1/4 x 24 RHBM, set 2-7/8 SN 10,414', 2-7/8 L-80 tbg to 10,432', start pump, RDMO.

Produced only water until 7/15 (avg 130 BW/Day); started producing trace amts of gas;  
7/30 started producing oil and more gas 5.21 BO/8 MCF/130 BW  
8/28 current production 16 BO/12 MCF/130 BW

Spud Date:

1/2/11

Rig Release Date:

2/7/11

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Linda Gregg TITLE Regulatory Analyst DATE 8/30/11

Type or print name Linda Gregg E-mail address: lgregg@bcooperating.com PHONE: 432-684-9696, ext. 218

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 02 2011

Conditions of Approval (if any):